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Assistant Secretary Hill's Speech at the 2007 United States New Zealand Partnership Forum in Auckland,

Good morning.

I was honored to participate in the successful inaugural U.S.-New Zealand Partnership Forum held in Washington in April 2006. It is a pleasure for me to be able to address the second Partnership Forum, and I am very grateful for the opportunity to be here today in this beautiful city.

A major focus of your first Forum was the Asia-Pacific region and the new opportunities for both countries arising from the region's significant growth. Issues of security, trade, tourism agriculture, energy and climate change among others were discussed. Those who participated left the 2006 Forum with a greater recognition of our mutual interests and, I think, a greater commitment to promote better relations between our two countries. These efforts have, in turn, helped spur a significant change in the U.S.-New Zealand relationship.

I have just returned from a very successful series of APEC meetings in Sydney, and would like to share a few of my impressions with you. (Will need to add following APEC)

Regarding the U.S.-New Zealand relationship, the past eighteen months have seen a gratifying improvement in dialogue and cooperation between the United States and New Zealand on a range of security, economic and foreign policy objectives, culminating in the successful visit of New Zealand Prime Minister Clark to Washington in March 2007. We share many of the same values and interests, and the

stage is now set for us to expand our engagement further and solidify our cooperation on a wide range of issues.

The United States has a good partner in New Zealand, and it is widely recognized and appreciated throughout the U.S. government that New Zealand makes valuable contributions to peace, stability, and economic growth in the Asia-Pacific region and beyond.

We admire and support the work New Zealand is doing in the Solomon Islands, Timor Leste and in other peacekeeping missions around the world. We are working together in the South Pacific and stand side by side in Afghanistan. In that regard, a young U.S. Foreign Service Officer, David Jea (JAY), was in Wellington recently to have consultations with the New Zealand government before traveling on to Afghanistan to take up a job in Bamiyan with the New Zealand Provincial Reconstruction Team (PRT). The New Zealand PRT is a success story in Afghanistan, and we appreciate the fine work that your soldiers are doing in that country.

The United States and New Zealand also share a strong counterterrorism and nonproliferation agenda. We appreciate New Zealand's strong leadership in advancing the Proliferation Security Initiative in the Pacific region and its support for efforts to address nuclear concerns with North Korea. Finally, we share a commitment to freedom, and we both play a leading role in initiatives to promote democracy, both regionally and internationally.

In business, we already have close economic ties with New Zealand. We are your second-largest trading partner after Australia. We both want to improve the global trade system and are working together in the WTO and regionally. The United States and New Zealand have been exploring through our Trade and Investment Framework Agreement (TIFA) how to deepen our bilateral economic relations and how to advance regional economic architecture and development. With the expiration of trade promotion authority (TPA), the Administration is focused on working with Congress to pass pending FTA's and on issues related to Doha. At present we are not initiating new FTA negotiations.

The July 9-10 TIFA meeting between USTR and MFAT concluded with agreement that our two countries would develop a cooperative work plan to address specific trade issues, which could in the longer run facilitate resolution of obstacles to free trade access between our two economies. This action plan is under active development, and we look forward to continuing productive discussions with our New Zealand counterparts.

This Forum will look at ways that we can increase cooperation even further in areas vital to both of our countries: regional security and stability, economic development and sustainability in the Asia-Pacific region.

As I have said, the stage has been set for our two countries to work together more closely. We continue to have our differences, including our well-known disagreement with New Zealand's anti-nuclear legislation.

However, while not forgetting these differences, our governments have recognized that we have much more in common and much to gain by working together to promote our mutual values and interests rather than dwelling unproductively on such disagreements.

The United States wants to explore new areas of possible cooperation while we continue to work together on the broad range of issues where we already share common cause. I will be meeting with Prime Minister Clark and her colleagues later this morning to do exactly that. I believe both our governments are committed to expanding and enhancing such cooperation.

Our new level of cooperation has been marked by a series of practical and symbolic milestones which energized and confirmed our progress. During my last visit to New Zealand in March 2006, I underscored the need to enhance the relationship by taking steps to achieve shared objectives. Foreign Minister Peters met with Secretary Rice in Washington not long thereafter to map the way forward. We immediately began working-level discussions in Washington, Wellington and the margins of regional meetings that produced an action plan for increased engagement.

In January of this year, we had another reason to celebrate. Since 1957, we have worked together on the frozen continent. Our explorers have ventured across Antarctica while our scientists worked together to unlock its secrets. The Ice may look barren, but it tells the history of our planet, particularly the history of our atmosphere, in extraordinary ways. To mark a half century of extraordinary joint work, Prime Minister Clark led a delegation to the Ice that included Sir Edmund Hillary and senior officials from both countries.

I'm deeply disappointed that my schedule prevented me from participating; my colleagues Claudia McMurray and Glyn Davies told me I missed an extraordinary trip. They were delighted to join Sir Ed and the New Zealand government to celebrate 50 years of cooperation on the Ice. Both countries are committed to the good stewardship of our planet, and the research we carry out together in Antarctica's unique conditions is vital in helping us in that effort.

A few months later Prime Minister Clark met the President in Washington to reaffirm the progress in our relationship.

The White House was pleased with the Prime Minister's visit. The President himself described it as a "constructive conversation" and noted that he found Prime Minister Clark to be "a very straightforward, honest woman who cares deeply about the country she represents."

The discussion between the two leaders was wide-ranging. They talked about the importance of working cooperatively on building democracy in places like Afghanistan and their mutual desire to see the denuclearization of the Korean Peninsula occur peacefully through diplomacy. They discussed commerce, the environment and energy issues facing both our countries.

The Prime Minister also met with the Secretary of State and the Secretary of Defense during her first visit to Washington in four years. The positive nature of her exchanges with the President and other senior U.S. officials both set, and reflected, the tone of a closer relationship.

Our partnership in the Pacific is a central element of our more dynamic relationship. We recognize and greatly value New Zealand's leadership role in the region, which has seen its share of instability and crisis but which remains vital to both our interests. For our part, we have been working to make 2007 "The Year of the Pacific" to promote prosperity, good governance and the rule of law. Although the State Department is the lead agency on the U.S. side, the Year of the Pacific is a "whole-of-government" endeavor with the Department of Defense, Coast Guard, Department of the Interior, USTR, Peace Corps and other agencies working together to expand our engagement with and impact in the region.

A highlight of our "Year of the Pacific" was the hosting of the East-West Center's Pacific Island Conference of Leaders meeting in Washington this past May. As part of that four-day event, we hosted the heads of government or other senior officials of close to 20 Pacific countries and territories for a day of meetings and consultations in the State Department, focused on promoting greater understanding and cooperation on a wide range of security, scientific, trade, and commercial issues.

In order to meet the diplomatic challenges in the Pacific, we have recently created two regional offices covering the South Pacific: one covering environmental, oceans, and science issues, and another focused on public diplomacy and increased educational and cultural exchanges. We have also decided to second a State Department officer on a temporary assignment to the Secretariat of the Pacific Community (SPC) in Noumea, New Caledonia. This will have a dual purpose – one, to support the important work of the SPC, which we feel is a key institution in the Pacific, and two, to underscore our commitment to the region.

We are also looking to spur economic development in the Pacific as a result of the pending relocation of over 8,000 U.S. military members and their families from Okinawa to Guam. This is a multi-year, multi-billion dollar undertaking – probably the largest U.S. military construction project since World War II. While a number of details need to be worked out, we are hopeful that some of the beneficial impacts of the project – jobs, increased regional commercial activity, a rise in tourism – will flow to Pacific Islanders.

There is an opportunity here for private sector contractors to participate in the vast construction effort that will help make Guam an important engine of growth in the Pacific. As the project unfolds, we will be interested in exploring how we might collaborate with New Zealand and other regional partners to ensure Pacific states benefit from the Guam relocation, perhaps through targeted vocational training programs.

U.S.-New Zealand cooperation in the Pacific has also been underscored by our coordinated response to the military coup in Fiji. The United States shares New Zealand's concern about the situation there and has repeatedly called for the protection of human rights and the return to democratic government in Fiji as soon as possible. In response to the coup, the U.S. took a number of measures in accordance with U.S. law and policy, including the cessation of assistance to the government of Fiji, a halt on military sales, and visa bans against those involved in the coup.

We are pleased that the region itself, under the auspices of the Pacific Islands Forum, has taken a strong and unified stance on the coup. We look forward to pursuing a coordinated approach at the Forum meeting next month in Tonga to advance with the Pacific Island leaders an agreed approach to return Fiji to democracy.

In addition to these diplomatic initiatives, our two countries have been working together extraordinarily well "on the ground" in the Pacific.

Both countries are supporting maritime law enforcement efforts in the region. We want to work closely with Pacific Island countries and other regional players to expand and strengthen regional maritime law enforcement cooperation, including on fisheries, illicit narcotics, alien smuggling, firearms smuggling and violence in maritime navigation. New Zealand has played a leading role in improving the maritime security capability of the Pacific Islands. We want to work together to build upon those efforts.

Just last month, we welcomed six New Zealand Navy medical personnel aboard the USS Peleliu for Pacific Partnership 2007, a humanitarian mission to the Pacific. The

New Zealanders joined us as we visited Papua New Guinea and the Solomon Islands to build hospitals and schools, teach preventive medicine, and provide medical and dental assistance. Together we sought to carry the ‘aloha’ spirit of caring, commitment and compassion with them on this deployment to assist our Pacific neighbors. To host the Kiwis – renowned for their innovation and their number-eight-fencing-wire attitude – was a pleasure.

Additionally, Royal New Zealand Navy officers boarded the U.S. Coast Guard Cutter Walnut in Honiara and are now onboard for almost a month as the vessel patrols the Economic Exclusion Zones of several Pacific states and territories. While the Walnut is in the South Pacific, it will participate in Operation Kuru Kuru, an annual multilateral maritime surveillance operation focusing on detection and enforcement response to illegal maritime activity. During the deployment, Royal New Zealand Navy officers will work together with their Coast Guard colleagues to develop protocols for the sharing of vessel sighting information between the RNZN, USCG, New Zealand Maritime Coordination Centre and the Fisheries Forum Agency to maximize the detection and identification of vessel engaged in illegal activity.

I am also pleased to report an important new agreement that will promote increased “people-to-people” exchanges between our two countries – a so-called “Working Holiday” program that will allow young New Zealanders to live and work in the United States for a period of up to a year. I am delighted that we will sign it here in just a few moments. And building on this important development, I am pleased to report that our two governments have finalized a proposal for a New Zealand consular officer from Wellington to spend six weeks working with the State Department’s Consular Affairs Bureau in Washington.

Scientific and technical cooperation will remain an enduring foundation of bilateral cooperation, as it has over the past fifty years, particularly in Antarctica, where McMurdo Station and Scott Base are not far apart. To quote a line from Ambassador McCormick, “the Antarctic is a place where we are not just good friends but good neighbors”. The program there has become a vital part of the international effort to understand the risks and consequences of climate change. U.S. Air Force and Air National Guard units are resident in Christchurch from October through February

every year to resupply American and Australian bases in the Antarctic. These service members will be arriving again soon. They have always been warmly welcomed and supported every year by the people of Christchurch. We are grateful to the “Mainlanders” for their hospitality.

I am impressed by some understated but significant efforts that New Zealanders have undertaken to commemorate the friendship and cooperation between our two countries. Acknowledging 50 years of uninterrupted cooperation in Antarctica is one as I’ve mentioned - but in Wellington the Prime Minister honored the United States on our Memorial Day in May by opening an exhibition in historic Old St Paul’s church. It fondly tells the ‘social’ story of what it was like for New Zealanders in World War II when thousand of Marines and other servicemen were stationed in New Zealand training for the terrible battles they would fight in the Pacific.

Another example is a memorial on the top of Mt. Victoria in Wellington to American Antarctic flying pioneer and explorer Admiral Richard Byrd. It was erected following his death in the 1950’s. The Wellington City Council is currently upgrading the facility, taking care to preserve and protect the memorial. The city didn’t have to take this step but we are grateful they have chosen to do so.

These are two current examples of how here in New Zealand, the story of our shared history is being preserved for appreciation by current and future generations. Friends who take the time to understand and appreciate shared experiences and sacrifices by previous generations are well suited to continue strengthening their current and future relationship. All of you at the Partnership Forum are helping to lead us into the next chapter of that shared history. It has been my honor to join to share my thoughts, and I look forward to continuing to work with you. Thank you.

